



# **PSC NEWS**

## **Missouri Public Service Commission**

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### **PSC APPROVES SALE AND TRANSFER OF ASSETS/ CHANGE OF ELECTRIC SUPPLIER**

Jefferson City (February 20, 2002)---The Missouri Public Service Commission has approved an application which authorizes a change in the electric supplier from Union Electric Company d/b/a AmerenUE to the Lewis County Electric Cooperative for approximately 550 structures in and around the municipalities of Durham, Maywood, Novelty, Monticello, Medill, Arbela and Granger in the Missouri counties of Clark, Lewis, Knox and Scotland.

According to the applicants, the structures proposed for transfer are located in the Co-op's service territory under a territorial agreement between the Co-op and AmerenUE which was approved by the Commission in August 2000. AmerenUE and Lewis County Electric Cooperative state that re-aligning electrical services and facilities will result in cost savings to AmerenUE and the cost effectiveness of the Co-op's operations will improve.

The Commission's order states: "The application presents a positive financial impact to UE in cost savings and to Co-op in obtaining additional customers with a higher pole-mile density than exists overall in Co-op's distribution system. Customers should obtain more reliable services due to the looped configuration and additional capacity Co-op will gain in integrating the former UE facilities and also due to more rapid service response times based upon Co-op's better positioning of response service personnel and equipment in the area affected."

The Co-op has a higher availability charge than AmerenUE (\$16.00 compared to \$7.25). Because of that higher availability charge, low usage customers affected by the change of supplier may see a small annual increase in their bills. Because of rate and seasonal rate differences between the Co-op and AmerenUE, higher usage customers will have an overall rate decrease as a result of a change in supplier. Customer usage patterns will affect the overall annual bill.

Based upon a thorough review of the facts in this case, the Commission determined that the proposed sale of assets is not detrimental to the public interest and should be approved.

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